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GEORGIAN REFORM PROGRESS TRACKING SYSTEM (GRPTS)

CONCEPT MODEL FOR THE GRPTS WITH DESIGN AND
METHODOLOGY REPORT

USAID GOVERNING FOR GROWTH (G4G) IN GEORGIA

November 2015

This publication was produced for review by the United States Agency for International Development. It was prepared by Deloitte Consulting LLP. The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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GEORGIA

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DATA

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Project Components:	Support Public Private Dialogue Component; Private Sector And Civil Society Capacity Strengthening Component
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Key Words:	Reform, Progress Tracking, Methodology

ACRONYMS

BCI	Business Confidence Index
CCI	Consumer Confidence Index
EU	European Union
G4G	Governing for Growth in Georgia
GDP	Gross Domestic Product
G-EPI	Georgian Economic Performance Index
G-ESI	Georgian Economic Sentiment Index
GRPTS	Georgian Reform Progress Tracking System
ISSET	International School of Economics at Tbilisi State University
ISSET-PI	International School of Economics at Tbilisi State University - Policy Institute
NBG	National Bank of Georgia
OECD	Organization for Economic Co-operation and Development
PISA	Program for International Student Assessment
USAID	United States Agency for International Development

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1 SUMMARY

The project's overall goal is to generate analysis of reform progress to support policy making and public-private dialogue and thereby promote informed debate about reform priorities and policy decisions, improve accountability, and help build trust between the government, private sector and general public.

The expected result is an operational Georgian Reform Progress Tracking System (GRPTS) that informs the general public on how new reform efforts of the Georgian government have progressed against their intended objectives and supports improvements to development outcomes. The grant's activities are undertaken in partnership with JumpStart Georgia, a registered non-governmental organization that advocates for open data in government, businesses, and civil society.

The objective of the current activity was to develop a methodology for the progress tracking system that the project team will follow in the course of project implementation.

This document reports achievements on the first deliverable within the project framework and presents a Concept Model for the GRPTS with Design and Methodology Report.

Activity implementation process consists of ten main milestones:

1. **Concept Model for the GRPTS with Design and Methodology Report;**
2. Operational Business Plan with financial model;
3. GRPTS Business and System Requirements;
4. Working Prototype of the GRPTS software and database;
5. Baseline data collection and data entry
6. Operational website with scorecard, dashboards, web, browser and mobile apps, Windows/desktop app/gadget
7. Plan for outreach/dissemination and sustainability
8. Five workshops/events and training sessions, including materials
9. Operation, maintenance and updates of the system- two annual system operation, maintenance and update reports
10. Semi-annual reform tracking analytical reports

The current report presents the first of the ten milestones, the Concept Model for the GRPTS with Design and Methodology Report and outlines a framework for system design and implementation.

This report will be followed by an operational plan with a financial model and GRPTS business and system requirements developed in partnership with JumpStart Georgia.

Grant funding contributed to the objectives of the program in the following way: the purpose of the project is to support the Government of Georgia to create a better enabling environment, in which legal and regulatory reforms are fairly and transparently conceived, implemented and enforced providing a level playing field for small and medium size enterprise growth. RRPTS generates reform progress analysis for policy making and public dialogue and thereby promotes informed debate about reform priorities and policy decisions, improves accountability and helps build trust between the government, private sector and general public.

2 ACTIVITY IMPLEMENTATION

2.1 CONCEPT NOTE

INTRODUCTION

The project's goal is to generate reform progress analysis for policy making and public dialogue and thereby promote informed debate about reform priorities and policy decisions, improve accountability and help build trust between the government, private sector and general public.

The expected result is an operational GRPTS that informs the public on how new reform efforts of the Georgian government have progressed against their intended objectives and continue to improve development outcomes. The training program planned in the framework of the project is expected to improve the capacity of the target population to use the tracking system, retrieve and interpret the data and use it in decision-making. This will allow beneficiaries to make informed decisions in political, economic and social settings and to advocate for reforms.

The grant's activities will be undertaken in partnership with JumpStart Georgia, a registered non-governmental organization which advocates for open data in government, businesses, and civil society.

ONGOING ISET-PI ACTIVITIES

Business and consumer surveys provide essential information for economic surveillance, short-term forecasting and economic research. Moreover, they are widely used to detect turning points in the economic cycle. The survey data generated within the framework of the ISET's Business and Consumer Surveys are particularly useful for monitoring economic developments. High frequency, timeliness and continuous harmonization are among their main qualities.

1. **Business Confidence Index (BCI)** - is measured by seven sector-specific indices focusing on: 1) services, 2) retail trade, 3) agriculture, 4) manufacturing industry, 5) financial service 6) construction and 7) other sectors. For each sector, confidence is measured through a simple survey instrument targeted at top business executives. The survey is online and contain information about production/sales/turnover, competition, order books, and volume of stock, demand evaluation, operation costs, profit, employment, and sales price setting.

The BCI index and related analysis are deemed valuable inputs into business and policy decisions as they contain real time information about the existing market conditions.

2. **Consumer Confidence Index (CCI)** - is the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation. How confident people feel about stability of their incomes determines their spending activity and therefore serves as one of the key indicators for the overall shape of the economy. In essence, if consumer confidence is high, consumers are making more purchases, boosting the economic expansion. On the other hand, if confidence is low, consumers tend to save more than they spend, prompting a contraction of the economy. A month-to-month diminishing trend in consumer confidence suggests that in the current state of the economy most consumers have a negative outlook on their ability to find and retain good jobs.

To calculate the CCI, ISET team randomly samples 300-350 individuals on a monthly basis and questions them about the past, current and future financial situation of their families and the country as a whole.

THE ISET-PI'S ROLE IN THE CURRENT PROJECT

To design, develop and implement an operational Georgian Reform Progress Tracking System (GRPTS).

Project milestones include:

1. Concept Model for the GRPTS with Design and Methodology Report;
2. Operational Business Plan with financial model;
3. GRPTS Business and System Requirements;
4. Working Prototype of the GRPTS software and database;
5. Baseline data collection and data entry
6. Operational website with scorecard, dashboards, web, browser and mobile apps, Windows/desktop app/gadget

7. Plan for outreach/dissemination and sustainability
8. Five workshops/events and training sessions, including materials
9. Operation, maintenance and updates of the system- two annual system operation, maintenance and update reports
10. Semi-annual reform tracking analytical reports

SELECTION AND SCOPE OF REFORMS

The selection of reforms to track is guided by the project design. Reforms for our purposes are defined as systemic changes to laws, institutions and functionalities that affect economic outcomes in the country so that they operate in a fairer or more effective way. The emphasis at this stage is on those reforms that are supported by G4G mandate and include the following:

Business Enabling Environment

- Tax Policy & Tax Payment Simplification
- Customs Administration
- Trade Facilitation/ Transport logistics
- Land Ownership & Title Registration
- Capital Markets
- Bankruptcy
- Pension
- Crop Insurance
- Innovation
- State Procurement
- Building Code

Energy & Water

- Energy Strategy reform
- Electricity Trading Mechanism
- Water Resource Management

The goal is to track progress in the implementation of planned reforms, as well as to judge whether the policy targets set by the Georgian Government in relevant areas are adequate and consistent with international best-practices.

SPECIFIC COMPONENTS OF THE TRACKING SYSTEM

We propose a system consisting of four distinct elements.

1. First, we will measure progress in the implementation of selected reforms based on a policy framework agreed upon with the implementing agencies. This will be complemented by a stakeholder survey focusing on their perceptions of the quality of reform.
2. Second, we will measure reform outcomes and impacts.
3. Third, we will collect macro impact indicators that are not directly attributable to any specific reform in question but are nevertheless affected by the reforms.
4. Fourth, we will produce a quarterly integrated assessment of Georgia's progress on its modernization agenda by institutionalizing a "ReforMeter" to be determined by a panel of experts representing (i) the Georgian academia and civil society, (ii) business, (iii) government and (iv) international organizations operating in the country.

COMPONENT I: TRACKING REFORM IMPLEMENTATION

First, we will assess the government's formal progress (at the input and output level) in a target reform area across the following four dimensions:

Reform Dimension	Description	Example Input Indicator	Example Output Indicator
Institutional Setup	Creation of governance system, assignment of roles and responsibilities, development of strategy and action plans.	Is there an innovation strategy in place?	How many of the actions have been implemented in line with the timeline since the inception of strategy?
Capacity Building	Mobilization and development of adequate human capital.	How operational is the implementation agency or equivalent?	Are entrepreneurial skills trainings being offered in the country?
Infrastructure & Budgeting	Mobilization of budget and physical capital, building and equipment, as needed.	Has budget been mobilized for the implementation of the action plan?	Are Technology Transfer Offices available in the country?
Legislation & Regulations	Creation of an adequate legislative and regulatory framework conducive to reform objectives.	Has there been a review for obsolete regulations that may hinder Venture Capital establishment or functioning?	Have obsolete regulations been eliminated?

The set of indicators will be customized to track progress on each dimension towards a system envisioned in the reform design. The main challenge is to define the desired system/framework against which progress will be evaluated. To overcome this challenge, we will adopt the existing Organization for Economic Co-operation and Development (OECD) methodology/questionnaires to evaluate the progress in each reform area. Sample of existing OECD questionnaires for the relevant reform areas are attached to the report (A.3).

The OECD questionnaires are typically structured to identify the strengths and weaknesses in reform design and implementation. They cover all fundamental actions that have to be executed to create an optimal environment helping achieve all reform objectives. Completion of all actions indicates achievement of the desired policy framework. If available for a particular reform considered in the Georgian context, OECD questionnaires will be used as a starting point for discussions with stakeholders to be modified and augmented according to recommendations from implementing agencies, field experts and other stakeholders.

In the absence of a relevant OECD questionnaire, we will follow a similar methodology to identify critical milestones to be achieved in the course of reform implementation while consulting the pertinent reform strategy, general Social-Economic Development Strategy of Georgia, and other relevant sources of information. This will be supplemented by discussions with stakeholders.

In any case, the final set of indicators captured by the questionnaires will be used to measure distance from the stated reform objectives on a scale of 0 (absence of a policy approach) to 100% (good policy practices are fully implemented, monitored and evaluated).

The questionnaires will be filled in through quarterly face-to-face interviews with representatives of all agencies involved in the implementation of a particular reform (for example, the agency and the ministry directly in charge, other relevant ministries and parliamentary committees).

The strength of this approach is in its transparency and the possibility of triangulation. Even though survey responses by different agencies may not be fully consistent and/or require verification, the overall index will be compiled in an objective, transparent, and straightforward manner, taking into account the whole gamut of views and perceptions.

In addition to measuring formal progress on reform implementation, we will develop a complementary survey instrument, adopted from the Spanish Reform Monitor. This instrument will assess stakeholders' perceptions about Georgia's performance in specific areas and the quality of government reform action in that area. We chose to adopt this specific model due its simplicity while it manages to provide assessment of all the important dimensions of the reform process quality. In addition, this project in Spain is managed by a reputable organization (Public-Private Sector Research Center, University of Navara) with similar to our policy institute profile and its success and sustainability signals its value. It will capture the general opinion of the stakeholders on three fronts: (a) the current performance in the reform area, (b) the adequacy of policy targets, and (c) actual progress achieved in the reform area. Up to 15 stakeholders will be selected from the following groups for each reform area.

Stakeholders	Internal	External
Direct	Government agencies who are directly affected by the reform progress/outcomes.	Direct beneficiaries of the reform outputs/outcomes, practitioners external to the public sector, who have significant exposure to the area affected by the reform.
Indirect	Other public sector agencies which are affected indirectly, but have significant understanding of the area.	Groups affected by reform through indirect channels

The identified stakeholders will be asked to fill a quarterly survey focusing on the following three questions:

Question 1. What is your assessment of Georgia's performance in the area of [reform name]? Please, provide a rating of your overall impression of [reform area] on a one-to-ten scale.

Question 2. Are the economic policy targets set by the Georgian Government in the area of [reform] adequate and consistent with international best-practices? Please provide a rating of the government's economic policy targets on a one-to-ten scale.

Question 3. Is the economic reform agenda currently implemented by the Government in the area of [reform] progressing as expected and is likely to deliver adequate results? Please provide a rating of progress on a one-to-ten scale.

The overall quality of reform implementation will be measured as a simple average of all stakeholders' scores.

Component I provides a holistic assessment of the reform implementation process. On the one hand, the formal assessment based on the questionnaires filled out with the implementing agencies will illustrate the policy framework implementation process. This will allow general public to understand whether the government is making progress against its own promises. Stakeholder interviews, on the other hand, will be used to judge the quality of these processes, and whether the implementing agencies are on the right track toward achieving their objectives.

COMPONENT II: TRACKING REFORM OUTCOMES AND IMPACTS

The second component of the reform tracking system will focus on quantitative data measuring reform outcomes to be used as a proxy for **reform effectiveness**. On the one hand, such data are more objective than any survey (which measure perception). On the other, collecting and using these data is fraught with its own challenges. First, relevant data may be available at different frequencies (ranging from daily to once per year, or even less frequently, such as Georgian Census data). This creates aggregation and comparability challenges. Another problem with outcome and impact indicators is attribution to specific reforms.

The outcome indicators (national and international) to be monitored will be identified based on the strategy document, if present, and/or will be agreed and coordinated with the implementing agency and other stakeholders. Examples of such outcome level indicators for innovation reform include: number of patent applications; high technology exports (% of manufactured exports).

The impact indicators will be selected by reform area from Georgia's Social-Economic Development Strategy, which also includes targets and timelines for each indicator. Additional outcome level indicators outside the strategy will be developed as needed. Measures for these indicators will be obtained from international organizations, National Statistics Office and National Bank of Georgia databases. Global Competitiveness Index, Doing Business indicators and sub-indicators are good candidates for this component.

Tracking reform outcomes and impacts is an important tool to evaluate whether the goals set by the policy-makers are being achieved by the reform program. The absence of any progress on this level indicates that the tax payers' money devoted to the reform implementation process is being used inefficiently and ineffectively and the change in course of action/strategy is necessary in order to get on the right track toward the defined objectives.

COMPONENT III: TRACKING MACRO IMPACT

In addition to measuring reform outcomes and impacts that are at least potentially attributable to specific reforms, we will also measure progress on downstream indicators reflecting Georgia's general advancement and modernization: Georgian Economic Performance, Georgian Economic Sentiment, and Luminosity. Georgian Economic Performance Index will summarize the official macro data available, which will assess

the quantitative performance of a country. As for Georgian Economic Sentiment Index, this metric will measure the perception of economic agents (consumers and businesses). Luminosity is a measure of nighttime lights visible from space, and as such it is increasingly used as a proxy for trends in business and infrastructure development, income and regional inequality. Details are defined below.

GEORGIAN ECONOMIC PERFORMANCE INDEX (G-EPI)¹

Using the original EPI as an inspiration, we are proposing to develop a composite macro-indicator of Georgia's economic performance consisting of the following 10 indicators (for the simplicity to be given equal weight in the composite G-EPI):

- Dollarization rate of the Georgian economy (as a measure of macroeconomic risks and the effectiveness of NBG's monetary policy tools)
- Net interest spread as a measure of access to finance for Georgian businesses and households and general level of risk in the economy
- Share of formally employed in Georgia's total population (as a proxy of the size of its "modern" sector);
- Georgia's performance in the OECD Programme for International Student Assessment (Pisa) as a measure of improvement in Georgia's human capital
- Gini coefficient as measure of income inequality
- Share of investment in total GDP (proxying the pace of infrastructure and technology upgrading)
- Degree of export diversification across major geographic jurisdictions (Eurasian Union, China and Asia, EU/North America, Other)
- Degree of export innovation (measured as the share of new products and services in total exports)
- Waste water treatment capacity per capita as a measure of Georgia's environmental protection
- The change in real GDP as a measure of the aggregate performance of the entire economy.

This method of measuring macro-economic performance of Georgia is a simple, yet informative metric. G-EPI represents a step toward clarity, by combining data on 10 mentioned variables. In contrast to other indexes, G-EPI does not use complicated mathematical procedures but is designed for simplicity, making it easier for professionals and laypeople alike to understand and apply to the economy.

GEORGIAN ECONOMIC SENTIMENT INDEX (G-ESI)

ISSET Policy Institute has been doing Consumer Confidence Index on monthly bases (from May 2012) and Business Confidence Index on quarterly bases (from Quarter 4 2013). Consumer confidence is the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation. To calculate index, we randomly sample 300-350 individuals on a monthly basis and question them about the past, current and future financial situation of their families and the country as a whole. On the other hand, business surveys provide quarterly judgments and anticipations concerning diverse facets of economic activity in the different sectors of the economy: industry, services, financial services, retail trade, agriculture, and construction. More than 200 businesses participate in this survey in each quarter.

ESI will combine consumer and business perceptions about their current financial/commercial status and expectations. In doing so, we will follow the method described in The Joint Harmonised EU Programme of Business and Consumer Surveys, User Guide 2014.

Explicit weights will be allocated to different sectors as follows:

Sectors	Weights	Data Source
Consumers	25%	Consumer Confidence Index
Manufacturing Industry	15%	
Services	20%	
Construction	5%	
Retail trade	15%	
Agriculture	10%	
		Business Confidence Index

¹ The original Economic Performance Index (EPI) was proposed by Vadim Khramov and John Ridings Lee <https://www.imf.org/external/pubs/ft/wp/2013/wp13214.pdf> as an Intuitive Indicator for Assessing a Country's Economic Performance Dynamics in an Historical Perspective.

Financial service	10%	
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Following the standard EU methodology, G-ESI will be calculated as a weighted average of the above indicators “scaled to have a long-term mean of 100 and a standard deviation of 10, where the same sample is used as for the standardization of the individual components in step 1. Values greater than 100 indicate an above-average economic sentiment, whereas values below 100 indicate a below-average position. Assuming approximate normality, the imposed standard deviation of 10 implies that in about 68% of the cases G-ESI will be within the range of 90 to 110.

NATIONAL AND REGIONAL LUMINOSITY INDICES

Luminosity is a measure of nighttime lights visible from space, and as such it is increasingly used as a proxy for socioeconomic development. In particular, it may be used as an objective and accurate indirect measure of trends in business and infrastructure development, income and regional inequality. Given that luminosity data are available at very high frequency, over many years, and at a great level of geographic detail, one can use it to identify economic trends for specific locations in Georgia (potentially, for each municipality), compare different regions to each other, and compare Georgia as a whole to other countries in the South Caucasus and anywhere else. A very useful aspect of the luminosity data is the potential to use it to juxtapose economic development trends in neighboring regions divided by (artificial) political borders. In this manner, one can assess the impact of political institutions on economic development while controlling for geographic factors.²

Individual reform efforts and the subsequent outcomes feed into the welfare of the overall economy. Macro impact indicators assess the state of the economy, the ultimate development outcomes the general public is mostly affected by. This component in addition to the objective, measurable indicators reports perceptions of the general public and provides a good indication whether the reform efforts are reaching the desired target groups.

COMPONENT IV: “REFORMETER”

The fourth and final component of the tracking system assesses overall performance of the government reform agenda and will serve as a proxy indicator for Georgia’s overall economic sustainable development. It will be determined by an invitation-only high-profile panel which will meet on a quarterly basis to review the state of the Georgian economy and discuss progress with the country’s reform agenda. ReforMeter is an average of the scores assigned by the members of the panel reflecting their own perception of the overall economic progress, economic policy/reform targets set by the Georgian Government and government’s progress on advancing the economic reform agenda. The panel decision will be informed by their expertise/experience in the field of their operation which will be farther enhanced by the information generated through the system.

² The reference papers for luminosity data usage:

1. J. Vernon Henderson, Adam Storeygard, and David N. Weil, 2012, Measuring Economic Growth from Outer Space,
2. Jiansheng Wu, Zheng Wang, Weifeng Li, and Jian Peng, 2013, Exploring factors affecting the relationship between light consumption and GDP based on DMSP/OL nighttime satellite imagery.
3. Naizhuo Zhao, Nate Currit, and Eric Samson, 2011, Net primary production and gross domestic product in China derived from satellite imagery.
4. Qingxu Huang, Xi Yang, Bin Gao, Yang Yang, and Yuanyuan Zhao, 2014, Application of DMSP/OLS Nighttime Light Images: A Meta-Analysis and a Systematic Literature Review.
5. Frank D. W. Witmer and John O’Loughlin, Detecting the effects of wars in the Caucasus regions of Russia and Georgia using radiometrically normalized DMSP-OLS nighttime lights imagery.
6. [Jiansheng Wu](#), [Shengbin He](#), [Jian Peng](#), [Weifeng Li](#), and [Xiaohong Zhong](#), Intercalibration of DMSP-OLS night-time light data by the invariant region method.

PANEL COMPOSITION

The ReforMeter panel will consist of 24 prominent members representing four different segments of the Georgian society (six from each).

- 1) Academia and civil society: well-established public figures and representatives of civil society organizations;
- 2) Private sector: domestic and foreign business owners and principals
- 3) Government: representatives from key ministries, agencies, local government and the Georgian Parliament
- 4) International community (embassies and international organizations).

The panel will be gender-balanced and will include representatives of ethnic minorities. Initial five nominations to the Panel will be made by ISET-PI and G4G management. Panel members will be requested to serve on the panel for a single year and to nominate the rest of the panel members who will be appointed for two years. Membership will be renewable upon mutual agreement between rest of the panel and expiring members, and will be approved by the project management.

Membership to the panel entails commitment to attend the quarterly panel meetings which would last around three hours. The panel will be expected to have a general idea of the economic and political developments in Georgia. Short overview of the progress made in the individual reform areas will be presented to them prior to the meeting as well as during the meeting.

Participation is not anonymous and the member identities will be published on the dashboard, but their scores will remain confidential.

PANEL PROCEEDINGS

- i) Every quarter ISET-PI will prepare a reform progress update which will include information on progress made in each reform area, as well as the overall socioeconomic variables to be reviewed by the panel. This update will be sent to each Panel member in advance of the meeting.
- ii) During the meeting ISET-PI staff will present an overview of the report to the Panel and provide additional information as needed.
- iii) Closed-door discussion will be held for the Panel discuss Georgia's overall progress on three dimensions:
 - a. The overall economic performance.
 - b. Economic policy/reform targets set by the Georgian Government.
 - c. The government's progress on advancing the economic reform agenda.
- iv) Discussion will be followed by secret ballot voting in which each member of the panel will assess each dimension on a 0 to 10 scale. Simple average of individual scores will constitute the overall **"ReforMeter"**.
- v) The Panel will also select one most successful reform initiative/implementing agency, based on progress/impact achieved in the previous quarter.
- vi) Voting results will be communicated to the media/general public through a press conference to be held after the Panel meetings, and will be reflected on the project's dashboard.

The exact mandate and modus operandi of the panel will be discussed and agreed with the entire panel at a kick-off workshop held prior to the official launch of the tracking system.

YEARLY AWARD CEREMONIES

By the end of each calendar year, the Panel will vote for the best initiatives, reforms and implementation agencies to be recognized for achievement. Tentative nominations include:

- a) Best reform;
- b) Best implementing agency;
- c) Best development initiative;
- d) Most transparent/collaborative agency (voted by the project staff☺).

DASHBOARD

An internet-based interactive dashboard will be developed to represent the reform tracking results. The dashboard consists of two main parts: the initial landing page and webpages for individual reforms.

- (a) **The Landing Page.** The landing page of the dashboard will feature the “ReforMeter” infographic, along with small-size macro impact indicators (G-EPI, G-ESI, and Luminosity (tentative Georgian name: **brtskinvaleba**) Index. The user will be able to observe current scores as well as progress over time.
- (b) **Individual Reform Pages.** Tabs for each reform will be at the top of the landing page and will link to relevant pages. Reform pages will feature scores for each area, with the possibility to drill down to the activity level. Additionally, each reform page will display trends in the reform indicators against desired targets and/or peer economies and/or international benchmarks.

A rough illustration of the landing and individual reform pages is given in Appendix 2.

ANALYTICAL REPORTS

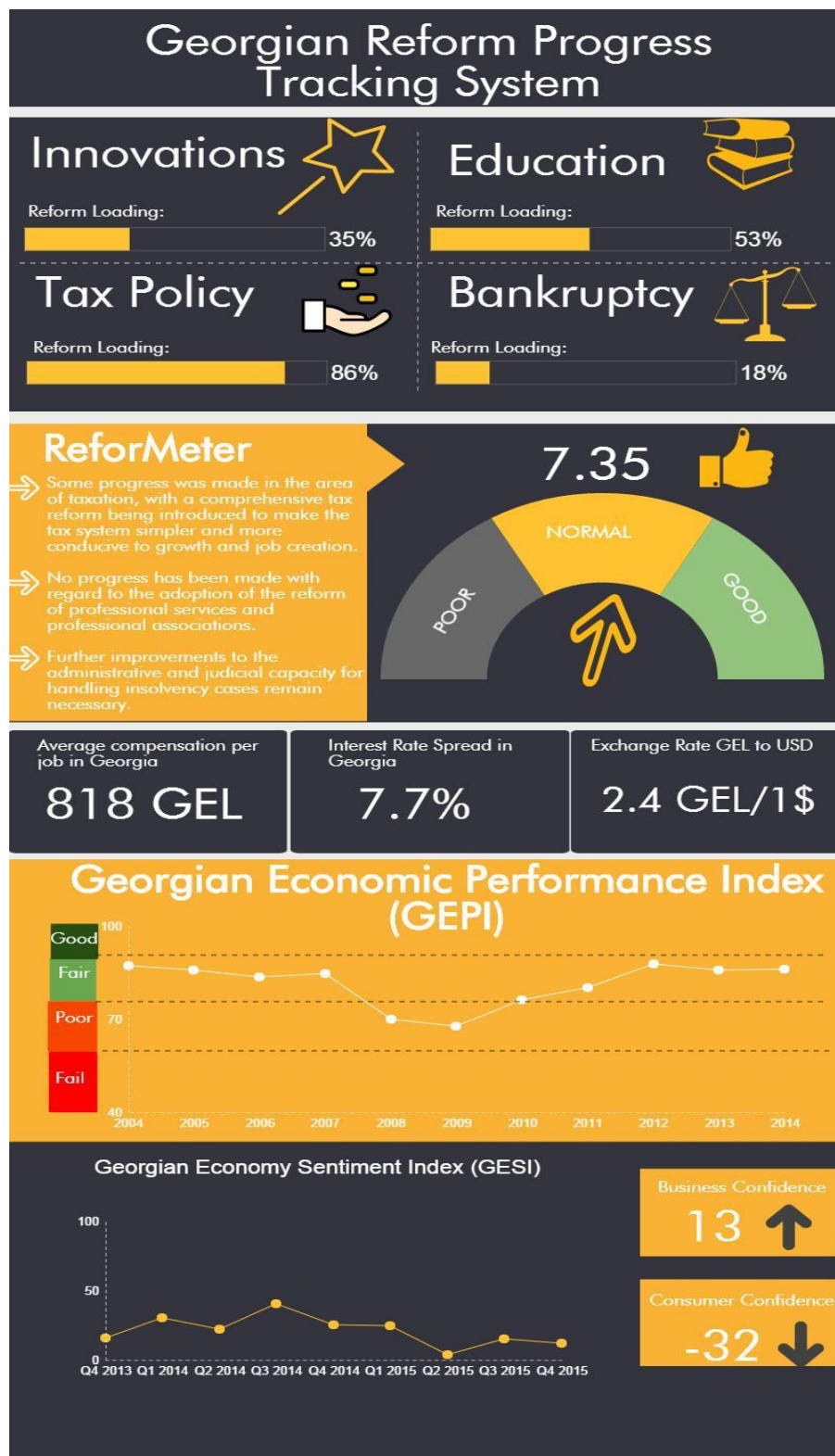
Semiannual analytical reports will summarize progress achieved in each reform area and will provide subjective judgment on the effectiveness and efficiency of the government reforms. These reports will be written by ISET-PI staff with contributions from the ISET faculty. Prior to publication, these reports will be reviewed by selected members of the ReforMeter Panel.

TEAM ORGANIZATION AND RESPONSIBILITIES

Role/Primary responsibility	Name	Title
Project Manager	Eric Livny	President
Academic Director	Sophiko Skhirtladze	Head of the PSD Center
Project Coordinator	Maya Grigolia	Senior Research Fellow
Researcher	Nino Doghonadze	Senior Research Fellow
Researcher	Levan Pavlenishvili	Research Fellow

3 APPENDICES

A.1 ILLUSTRATION OF THE CONCEPT NOTE, INNOVATION³



³ These info graphics are for illustrative purposes only manually created by the project staff.

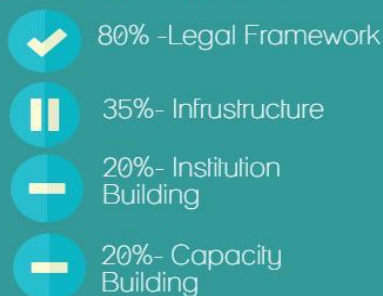
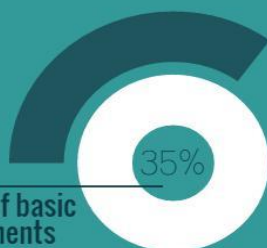
Reform Area Innovation

2015 Quarter 3

Government Progress in reforming Georgia

INNOVATION in

Presence of basic policy elements



Stakeholders Perceptions about Innovation in Georgia

All score are on a scale 0 (Bad) to 10 (Good)

Stakeholder think that innovations performance and policy in Georgia is:



Georgian Innovation Area PERFORMANCE



Georgian Government Innovation Policy GOALS



Georgian Government Innovation Policy PROGRESS

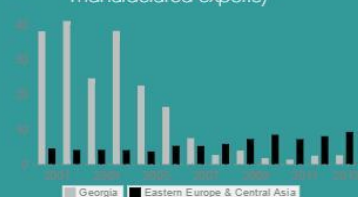


Legend

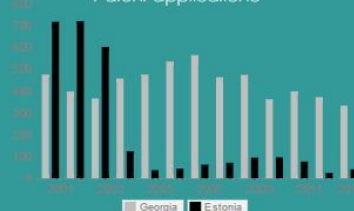


International Context of Georgia in Innovation Area

High-technology exports (% of manufactured exports)



Patent applications



A.2 SAMPLE OF EXISTING OECD QUESTIONNAIRES.

Bankruptcy and second chance				
Thematic Blocks	Answers	Evidence/Links	Country Comments	Definitions
Sub-dimension: Laws and procedures				
THEMATIC BLOCK 1: IMPLEMENTATION				
<p>Are there any laws or other procedures on distressed companies, receivership and bankruptcy?</p> <p>If yes Are the laws/procedures in line with international standards?</p> <p>Are the laws/procedures being systematically applied in a transparent way?</p> <p>Do the laws/procedures apply to state-owned enterprises?</p> <p>Do you have a formal bankruptcy and insolvency register?</p> <p>Are early-warning systems in place to identify financially distressed companies before filing for bankruptcy?</p> <p>Are out-of-court settlements available as a less expensive alternative to filing for bankruptcy?</p> <p>Do you have formal procedures for discharge from bankruptcy?</p> <p>If yes Does the legislation or equivalent specify a maximum time for full discharge?</p> <p>If a maximum time for full discharge is specified, is it within a maximum of 3 years after final court decision?</p> <p>Is removal from bankruptcy register automatic after full discharge?</p> <p>Is removal from national credit black list automatic after full discharge?</p> <p>Does a legal framework on secured transactions exist?</p> <p>Does the legal framework on secured transactions contain the following elements:</p> <p>secured creditors are able to seize their collateral after reorganisation (no automatic stay)</p> <p>restrictions such as creditor consent must be observed when a borrower files for reorganisation</p> <p>secured creditors are paid first out of proceeds of liquidation of a bankrupt firm</p> <p>management does not retain administration of property pending the resolution of organisation</p> <p>What priority take tax debts over any other debt in bankruptcy?</p> <p>Can tax debts be paid in instalments?</p>				<p>International standard as defined by the EBRD Insolvency Sector Assessment project</p> <p>Bankruptcy register</p>
THEMATIC BLOCK 2: PERFORMANCE (World Bank Doing Business Indicators)				
<p>What is the average time of insolvency proceedings?</p> <p>What is the average cost (% of the estate) of insolvency proceedings?</p> <p>What is the recovery rate (cents on the dollar)?</p>				
OPEN QUESTIONS:				
<p>To what extent has the backlog of cases on distressed companies, receivership and bankruptcy been reduced?</p> <p>To what extent have distressed company, receivership and bankruptcy legislation been applied to state-owned enterprises?</p> <p>What is the maximum time for full discharge?</p>				<p>This refers to the backlog of unresolved legal cases relating to bankruptcy, distressed companies and receivership.</p>
Sub-dimension: Promoting second chance				
(no thematic block)				
<p>1 Does the government have an overall national strategy to promote second chance to entrepreneurs?</p> <p>2 Does the government have an information campaign on promoting second chance?</p> <p>3 Are there any public measures at local or regional levels?</p> <p>4 If yes Do these measures take place in a co-ordinated manner?</p> <p>5 Is information on second chance procedures available online through the government website?</p> <p>6 Is there any training provided to entrepreneurs on starting fresh?</p>				<p>This could be achieved through training and information campaigns targeted towards re-starters.</p> <p>i.e. are they part of one strategy or programme and/or coordinated by a single agency or body</p>
OPEN QUESTIONS:				
<p>Which type of information on the second chance is provided to entrepreneurs?</p> <p>What type of training on starting fresh is available?</p> <p>Who is the training available to?</p>				

Adapt public policy tools to SME needs: Business support services

Thematic Blocks	Answers	Evidence/Links	Country Comments	Definitions
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Sub-dimension: SME support services provided by the government

THEMATIC BLOCK 1: PLANNING & DESIGN				
Is provision of business support services included in the government SME strategy or equivalent document?				
Are the strategy elements regarding business support services associated with:				
an action plan				
measurable targets				
timeframe				
expected impact				
If yes Has the government carried out market research and analysis to assess demand and supply of business support services for SMEs?				
THEMATIC BLOCK 2: IMPLEMENTATION				
Does the government provide basic business services?				
Are any of the following business support services being offered:				
Entrepreneurial skills trainings (i.e. management skills training, training on building and sustaining investor-entrepreneur relations, customer identification etc.)				Operational
Presentation skills (pitching businesses to investors, marketing/product positioning consulting etc.)				
Legal support services (Intellectual property rights, legal consulting etc.)				
Other				
Are there any tailored support services for start-ups?				
Does the government provide information on starting and conducting a small business?				
Does the government website:				
Link to the relevant public authorities				
Provide a wide range of information				
Is it updated often?				
THEMATIC BLOCK 3: MONITORING AND EVALUATION				
Are the business support services provided by the government being regularly monitored?				
Are the business support services provided by the government independently evaluated ?				Independent evaluation
Is there a publicly available annual report on performance?				
Are there formal mechanisms for SMEs to provide feedback on the business support services?				
Are surveys used to collect information on SME needs, usage and satisfaction with the business support services?				
OPEN QUESTIONS:				
Which business support services are provided?				
What type of support is offered for start-ups?				
Which business information is provided?				

Sub-dimension: Government initiatives aiming at stimulation of private business support service

THEMATIC BLOCK 1: PLANNING & DESIGN				
Is stimulation of private business support services included in the government SME strategy or equivalent document?				
Has market research and analysis been carried out to determine which instruments should be used?				This refers to government policies to increase SME access to privately provided business support services, through such measures as awareness-raising, co-financing and quality assurance mechanisms.
Are the strategy elements regarding stimulation of private business support services associated with:				
an action plan				
measurable targets				
timeframe				
expected impact				

THEMATIC BLOCK 2: IMPLEMENTATION					
<p>Has a budget been mobilised for the implementation of the action plan?</p> <p>How many of the actions have been implemented in line with the timeline?</p> <p>How many of the targets from the strategy have been achieved?</p> <p>Does the government provide co-financing for business support services?</p> <p>If there is a co-financing mechanism, is it operational?</p> <p>If yes Is there a formal structure to the co-financing mechanism?</p> <p>Are quality control mechanisms in place for co-financing initiatives (e.g. certificates, registration systems, reputational mechanisms)?</p>					<p>Budget mobilisation</p> <p>Operational</p> <p>This refers to the existence of a quality assurance mechanism for companies receiving public funds through co-financing. Quality assurance can take many forms including company registration, certification, and quality assessment through client (SME) feedback.</p>
<p>Does the government provide information to SMEs regarding the availability of private business support services (e.g. through website or B2B portal)?</p> <p>Does the government conduct investment readiness programmes for SMEs?</p> <p>Is there a business plan competition in the country?</p>					
THEMATIC BLOCK 3: MONITORING AND EVALUATION					
<p>Are there any monitoring mechanisms in place for the implementation of the strategy?</p> <p>Are there any monitoring mechanisms in place for the implementation of the co-financing mechanism?</p> <p>Is there independent evaluation of the co-financing mechanism?</p> <p>Are beneficiaries of co-financing made public?</p> <p>Are surveys used to collect information on demand for and satisfaction with private business support services?</p>					<p>Independent evaluation</p>
OPEN QUESTIONS:					
<p>Which actions of the strategy have been implemented?</p> <p>Which targets of the strategy have been achieved?</p> <p>What type and percentage of co-financing is offered?</p>					

Access to Finance

Thematic Blocks	Answers	Evidence/Links	Country Comments	Definitions
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Sub-dimension: Legal and regulatory framework

THEMATIC BLOCK 1: CREDITOR RIGHTS				
Does a legal framework on secured transactions exist?				
If yes, does the legal framework on secured transactions contain the following elements:				
secured creditors are able to seize their collateral after reorganisation (no automatic stay)				
restrictions such as creditor consent must be observed when a borrower files for reorganisation				
secured creditors are paid first out of proceeds of liquidation of a bankrupt firm				
management does not retain administration of property pending the resolution of an organisation				
THEMATIC BLOCK 2: REGISTER				
Does a cadastre exist in your country?				A cadastre is a comprehensive register of the real estate or real property's metes-and-bounds of a country.
If yes, Is the cadastre accessible to the public?				
Is the cadastre available online?				
Is a registration system for movable assets in place?				
If yes, Is the registration system for movable assets accessible to the public?				
Is the registration system for movable assets available online?				
Is ownership of the registered pledges documented?				
Is the record of moveable assets accessible by the public?				
Is the record of movable assets available online?				
OPEN QUESTIONS:				
What is the geographic coverage of the cadastre?				
How often is the cadastre updated?				
What is the geographic coverage of the record on moveable assets?				
How often is the record of moveable assets updated?				
THEMATIC BLOCK 3: CREDIT INFORMATION BUREAU				
Does a public credit information bureau exist?				A credit bureau is an entity that collects information from various sources and provides consumer credit information on individual consumers for a variety of uses.
Does a private credit information bureau exist?				
If yes, Do borrowers have the right to access their credit information by law?				
OPEN QUESTIONS:				
If a private credit information bureau exists:				
Which body/institution is responsible for the supervision of the private credit information bureau?				
Information on what kind of credits is provided (active/passive)?				
THEMATIC BLOCK 4: BANKING REGULATIONS				
Has the central bank adopted Basel II recommendations?				
Have Basel II recommendations been implemented?				
If yes, Are these requirements strictly applied across all credit institutions?				
Can lending to SMEs be exempt from certain requirements?				
Has the central bank adopted Basel III recommendations?				
Is there as plan in place for the implementation of Basel III recommendations?				
Do special capital requirements exist for FX lending to unhedged borrowers?				
Is there mandatory disclosure of the risks of FX borrowing?				

OPEN QUESTIONS:					
Does regulation exist to encourage or facilitate local currency lending? If yes, what type?					
THEMATIC BLOCK 5: STOCK MARKET					
Does a capital market exist in your country? If yes Does a legal framework on capital market regulation exist? Is there a separate section or a separate market for low capitalisation firms?					
OPEN QUESTIONS:					
If a capital market exists in your country: How many companies are listed? Since when has it been operational? What are the listing criteria? How is it regulated? What is the rate of market capitalisation at the stock market?					

Sub-dimension: Sources of external finance – Bank financing

THEMATIC BLOCK 1: BANKING LENDING PRACTICES AND CONDITONS					
see statistics					
OPEN QUESTIONS:					
Which of the following incentive mechanisms exist in SME lending: Subsidised funding to banks for on-lending Interest rate caps Interest rate subsidies Other (please specify)					
THEMATIC BLOCK 2: CREDIT GUARANTEE SCHEMES					
Does a public and/or public-private credit guarantee scheme exist in your country? If yes Does the private sector participate in the management of the public or private/public credit guarantee schemes? Do the credit guarantee schemes offer further complementary services? Do the credit guarantee schemes offer assistance and training programmes for SMEs? Does an independent monitoring of the credit guarantee schemes take place?					Independent monitoring is monitoring performed by a body/institution different from the one managing public credit guarantee scheme.
OPEN QUESTIONS:					
Does the government inform entrepreneurs about the possible sources of external finance for SMEs? If you have credit guarantee schemes: What kind of credit guarantee schemes are they? Please provide details of the recipients and sources of funding What does the shareholder and governance structure look like? How are they supervised? How are they evaluated? How often are they monitored? What does the mechanism for recovering non-performing loans look like? Who is responsible for the decision to offer a loan under a credit guarantee scheme?					

Sub-dimension: Sources of external finance – Non-banking financing

THEMATIC BLOCK 1: MICROFINANCE INSTITUTIONS					
Is there a legal framework for microfinance in place? Do microfinance facilities exist in your country?					Providers of microfinance for microenterprises ("microfinance facilities") often operate within the structure of not-for-profit organisations such as non-governmental organisations (NGOs), credit unions and other financial co-operatives. They provide different kinds of services including credit, savings, insurance, money transfers and other financial products.
If yes	How are microfinance facilities funded? Is data collected on the use of microfinance products within your economy?				
THEMATIC BLOCK 2: SAVINGS AND LOAN ASSOCIATIONS (SLAs)					
Is there a legal framework for SLAs in place?					Savings and loan associations are cooperative associations organized to hold savings of members in the form of dividend-bearing shares and to invest chiefly in home mortgage loans.
Do SLAs exist in your country? If yes	How are SLAs funded? Is data collected on the use of SLAs within your economy?				
THEMATIC BLOCK 3: LEASING					
Does legislation on regulating leasing activities exist in the country? Does a central institution (e.g. regulator) oversee all leasing activities within the country? Do SMEs have the possibility of using leasing as an instrument of finance?					
THEMATIC BLOCK 3: FACTORING					
Is there a legal framework regulating factoring activities? Are factoring services offered within the country?					Factoring is a financial transaction and a type of debtor finance in which a

Sub-dimension: Venture capital ecosystem

THEMATIC BLOCK 1: LEGAL FRAMEWORK				
Is there a regulatory framework specifically targeting start-ups or VC activities in place?				Venture capital legislation can include regulations and policies that are implemented by any governmental, quasi-governmental, or regulatory body to create an attractive playing field and entrepreneurial infrastructure for venture capitalists.
Has there been a review for obsolete regulations that may hinder VC establishment or functioning? If yes	Have obsolete regulations been eliminated? Are there restrictions for institutional investors (pension funds, insurance companies) to invest in VC funds? Which of the following options are available to exit from venture capital/private equity funds: Direct sales Stock exchange with clear opportunities for initial public offerings (IPO) of venture-capital backed enterprises			

THEMATIC BLOCK 2: DESIGN AND IMPLEMENTATION OF GOVERNMENT ACTIVITIES				
<p>Is there a government programme to stimulate venture capital through financial or other incentives?</p> <p>Does the government provide tax relief on investments in new venture capital corporations?</p> <p>Does a business angel network exist in your economy?</p> <p>If yes Is the government promoting business angel activities? Are there financial incentives for business angel activities? Are business angel networks promoted to potential investors? Are public funds used to enlarge the seed capital pool of business angel networks?</p> <p>Are venture capital funds required to disclose aspects of their operations?</p> <p>Is protection for minority shareholders provided in legislation?</p>				<p>Venture capital programmes are the programmes that aim to fill “funding gaps” that prevent small businesses, particularly technology-based firms, from obtaining sufficient capital and from producing public benefits in terms of innovation and job creation.</p> <p>Business angels are individuals who invest in start-ups and growing companies in return for an equity stake in the company. Investments by business angels work as a tool used to fill the gap between venture capital and debt finance, especially for start-ups ((SME Policy Index 2012, OECD).</p>
THEMATIC BLOCK 3: MONITORING AND EVALUATION				
<p>Are the stimulation measures for venture capital activities provided by the government being regularly monitored?</p> <p>Are stimulation measures for venture capital activities provided by the government evaluated?</p> <p>Do such evaluations lead to an adaptation of stimulation measures?</p>				
OPEN QUESTIONS:				
<p>If there is a government programme to stimulate venture capital through financial or other incentives, what is the budget of such a programme (in euro)?</p> <p>Has an analysis of the regulatory framework been made to address the needs of the private venture capital funds operating in the country?</p> <p>Has an analysis been made of the existing venture capital activities in the country?</p>				
Sub-dimension: Financial literacy				
THEMATIC BLOCK 1: PLANNING, DESIGN and IMPLEMENTATION				
<p>Has the assessment of the SME population's level of financial literacy been included in any national strategy?</p> <p>Has a methodology been developed in order to assess financial literacy?</p> <p>Does the government have a communication plan on financial literacy?</p> <p>Are there any financial literacy trainings organised by the government in place?</p> <p>If yes Do they provide SMEs with access to information on types of financing available for them? Do they provide SMEs with access to information on equity financing? How is information on financial literacy programmes available?</p> <p>Is financial education included into the secondary school curriculum?</p> <p>If yes Are professional training courses available for teachers delivering financial education in secondary schools?</p> <p>Are there standards for private providers of financial literacy education?</p>				
THEMATIC BLOCK 2: MONITORING AND EVALUATION				
<p>Are the financial literacy government schemes being regularly monitored?</p> <p>Are the programmes under the financial literacy government schemes regularly evaluated?</p> <p>Is data being collected on whether financial literacy programmes are increasing the number of SMEs using equity financing?</p>				
OPEN QUESTIONS:				
<p>How many entrepreneurs participate in the financial literacy programmes (annually)?</p> <p>Which programmes under the financial literacy government schemes are the most used?</p> <p>Are there minimal levels of turnover for requiring specific financial reporting standards?</p>				

Adapt public policy tools to SME needs: Public procurement

Thematic Blocks	Answers	Evidence/Links	Country Comments	Definitions
THEMATIC BLOCK 1: REGULATORY FRAMEWORK				
<p>Is the possibility to cut tenders into lots stated in legislation?</p> <p>If yes, does the legislation require that all tenders above a certain value be cut into lots?</p> <p>Is there a law regulating late payments to contractors?</p> <p>If yes, the law imposes:</p> <ul style="list-style-type: none"> Strict deadlines for payments Penalties in case of non-compliance with these deadlines <p>Are there agreements in place to open the public procurement market to foreign enterprises?</p> <p>Are there provisions to ensure proportionate qualification levels and financial requirements for SMEs?</p> <p>If specific provisions exist, do these specific provisions ensuring that SMEs do not suffer from excessive requirements concern:</p> <ul style="list-style-type: none"> Turnover requirements Level of guarantee and deposits Qualification of staff Allowing grouping of economic operators <p>Do contracting authorities have a possibility to allow companies to bid jointly?</p>				<p>Contracting authorities may decide to award a contract in the form of separate lots and may determine the size and subject-matter of such lots. They may also decide whether tenders may be submitted for one, for several or for all of the lots. Even where tenders may be submitted for several or all lots, the contracting authorities may still limit the number of lots that may be awarded to one tenderer. Sub-division of public purchases into lots facilitates access by SMEs, both quantitatively (the size of the lots may better correspond to the productive capacity of the SME) and qualitatively (the content of the lots may correspond more closely to the specialised sector of the SME).</p> <p>Late payment means payment not made within the contractual or statutory period of payment, provided that: the creditor has fulfilled his/her contractual and legal obligations and the client is responsible for the delay (i.e. it is not due to circumstances beyond their control).</p>
				<p>Contracting authorities may impose certain criteria on economic operators as requirements for participation, to ensure that the economic operator has necessary economic and financial capacity, as well as human and technical resources, or experience to perform the contract to an appropriate quality standard. All such requirements shall be related and proportionate to the subject-matter of the contract, otherwise they may be considered excessive.</p> <p>Joint bidding is when groups of economic operators, including temporary associations, are able to participate in procurement procedures. They shall not be required by contracting authorities to have a specific legal form in order to submit a tender or a request to participate. Any conditions for the performance of a contract by such groups of economic operators, which are different from those imposed on individual participants, shall also be justified by objective reasons and shall be proportionate. The group may rely on the capacities of all the participants in the group (and also on capacities of other entities not belonging to the group) to prove that it complies with the level of capacities or abilities required by the contracting authority.</p>
THEMATIC BLOCK 2: IMPLEMENTATION				
<p>Are tenders cut into lots in practice?</p> <p>If yes, to what extent?</p> <p>Is information on public procurement opportunities openly available?</p> <p>If yes, is publication of information on public procurement opportunities centralised?</p> <p>Are helpdesks and/or trainings offered to SMEs on public procurement procedures?</p> <p>Is the following information available in electronic format:</p> <ul style="list-style-type: none"> Basic information on tenders (such as electronic contract notices, list of contractors, information on procurement activities, rules and processes) Specific information on respective tender (such as tender documentation, downloadable forms and electronic tools for paper submission) <p>Is the tendering process fully electronic?</p> <p>Is information collected from companies stored in a database for future tender procedures?</p> <p>Is the public procurement market open to foreign companies?</p> <p>Do SMEs participate in joint bids?</p>				<p>E-procurement means to conduct public procurement electronically. This involves, publishing contract notices online (e-notification), publishing all documents for a call for tenders online (e-access to tender documents), suppliers submitting offers to public buyers/contracting authorities electronically (e-submission) etc.</p>
THEMATIC BLOCK 3: MONITORING AND EVALUATION				
<p>Is there an independent government body to review cases and demand corrective action for fair and transparent public procurement?</p> <p>Are data periodically collected on average payment delays?</p> <p>Are data collected on the share of foreign companies involved in tenders?</p>				
OPEN QUESTIONS:				
<p>What specific measures is the government undertaking to encourage participation of SMEs in public procurement?</p> <p>If legislation requires that all tenders above a certain value be cut into lots, please state the value.</p> <p>Which information on public procurement is available in electronic format?</p> <p>Which tendering procedures can be performed online?</p> <p>What measures are being taken to enforce the law on late payments?</p> <p>What proportion of contract payments made on time? What is the average delay?</p> <p>Which bilateral and multilateral agreements are in place to open public procurement to foreign companies?</p> <p>What is of foreign companies in public procurement tenders?</p>				

Innovation				
Thematic Blocks	Answers	Evidence/Links	Country Comments	Definitions
Sub-dimension: Policy framework for innovation				
THEMATIC BLOCK 1: PLANNING & DESIGN				
<p>Is there an innovation strategy in place?</p> <p>If innovation policy is integrated in another government strategy, in which of the following:</p> <ul style="list-style-type: none"> Enterprise policy Industrial policy Education Skills Science policy <p>Within the strategy is there a particular section or focus on SME innovation?</p> <p>Has the private sector been consulted prior to setting up the strategy?</p> <p>Does the strategy include the following elements:</p> <ul style="list-style-type: none"> Measurable targets Action plan Descriptive part about monitoring and evaluation of the strategy and action plan <p>Have responsibilities for institutions in innovation policy been defined?</p> <p>Does an inter-governmental body for-innovation policy co-ordination exist that is responsible for coordination among the institutions?</p> <p>Do consultations with stakeholders take place?</p> <p>Are there any demand-side innovation policies in place (such as public procurement of innovation)?</p> <p>Is there legislation that regulates the intellectual property rights ownership and royalties split for publicly funded research?</p>				<p>Formal consultation</p>
THEMATIC BLOCK 2: IMPLEMENTATION				
<p>Has budget been mobilised for the implementation of the action plan (or planned activities if there is no separate innovation action plan)?</p> <p>Is there a specific allocation of funding for the promotion of SME innovation?</p> <p>How many of the actions have been implemented in line with the timeline since the inception of strategy?</p> <p>How many of the targets of the strategy have been reached since the inception of strategy?</p> <p>Is there an operational separation between SME innovation policy design and implementation?</p> <p>How operational is the implementation agency or equivalent?</p> <p>Is the private sector represented in the governance board of the agency or equivalent ?</p> <p>Are researchers/academia represented in stakeholder consultation meetings?</p>				<p>Budget mobilisation</p> <p>Operational separation implies that the innovation policy is designed and implemented by separate public authorities.</p> <p>Operational</p>
THEMATIC BLOCK 3: MONITORING AND EVALUATION				
<p>Have national performance indicators to monitor the performance of the SME innovation policies been set up?</p> <p>Does a regular monitoring of innovation indicators take place?</p> <p>Have any adjustments been made based on the results of the monitoring?</p> <p>Is there independent evaluation or review of the SME innovation strategy?</p>				<p>National performance indicators are indicators selected and approved by national authorities in charge of SME strategy implementation and/or monitoring.</p> <p>Independent evaluation</p>
OPEN QUESTIONS:				
<p>What is the timeframe of your SME innovation strategy (i.e. SME-related elements of your innovation strategy or innovation-related elements of your SME strategy)?</p> <p>What are the targets of your SME innovation strategy (i.e. SME-related elements of your innovation strategy or innovation-related elements of your SME strategy)?</p> <p>If a significant number of actions have not been implemented, is this due to budgetary restrictions or other reasons?</p>				
Sub-dimension: Government institutional support services for innovative SMEs				
THEMATIC BLOCK 1: PLANNING & DESIGN				
<p>Does the government have institutional support services to link universities or research centres with innovative SMEs in place?</p> <p>Are any of the following institutional support services emphasized in the national innovation strategy or defined by relevant laws:</p> <ul style="list-style-type: none"> Incubators Science and Technology Parks Technology Transfer Offices Innovation Centers Other (please specify) <p>Does the government have any other instruments/mechanisms should be introduced?</p>				<p>These mechanisms can include voucher schemes, joint research programmes, company spin offs, personnel transfer schemes and similar</p>

THEMATIC BLOCK 2: IMPLEMENTATION				
<p>Is there a financial support/grant scheme in place to support innovation support organisations (incubators, technology transfer offices, innovation centers...)?</p> <p>Are any of the following institutional support services being offered in the country:</p> <ul style="list-style-type: none"> Incubators for innovative start-ups Science and Technology Parks Technology Transfer Offices Innovation Centres Other <p>If there are mechanisms in place to link universities or research centres specifically with innovative SMEs, are they operational?</p> <p>Is there an online database of researchers provided to businesses for finding research partners?</p> <p>How is information on innovation institutional support services available for enterprises?</p> <p>Is there a list of all innovation support organisations available? (If so, please provide us with this list)</p>				Budget mobilisation
				Operational

THEMATIC BLOCK 3: MONITORING AND EVALUATION				
Are the existing institutional support services to promote co-operation between SMEs, research institutes and universities monitored?				Independent evaluation
Does an independent evaluation of the innovation policy tools take place?				
Are the financial support measures to support innovation support organisations regularly monitored?				

OPEN QUESTIONS:				
What is the amount of financial support provided to SMEs to promote innovation?				
What is the amount of financial support provided to innovation support organisations by the government?				
What is the total government budget dedicated to innovation or R&D?				

Sub-dimension: Government financial support services for innovative SMEs

THEMATIC BLOCK 1: PLANNING & DESIGN				
<p>Are financial support services for innovative and high growth SMEs (IHGSMES) emphasized in the national innovation strategy or defined by relevant laws?</p> <p>Does the government have financial support schemes or grants for innovative projects of IHGSMES?</p> <p>Do the selection criteria for financial support/public grants contain the following elements:</p> <ul style="list-style-type: none"> quality of the project (innovative content) potential impact (commercialisation of the innovation) quality of the project team (capacity to implement) <p>Is there a competitive selection process for this financial support/public grants?</p> <p>How are projects selected under this financial support/ public grants?</p> <p>Does this financial support/public grants require a co-financing (matching) component?</p> <p>Is special funding provided for women entrepreneurs?</p> <p>Is special funding provided for young entrepreneurs?</p> <p>Does the government have R&D tax incentives</p>				

THEMATIC BLOCK 2: IMPLEMENTATION				
If there is a financial support/grant scheme in place, has budget been mobilised?				
If there are financial support schemes/public grants for innovative projects of IHGSMES, are they operational?				
If R&D tax incentives exist, has there been any uptake of R&D tax incentives by companies?				
Does the government provide tailored services to link IHGSMES with sources of financing?				
How is information on innovation financial support services available for enterprises?				

THEMATIC BLOCK 3: MONITORING AND EVALUATION				
Are the financial support measures regularly monitored?				
Does an independent evaluation of the innovation financial support policy tools take place?				

OPEN QUESTIONS:				
What is the amount of financial support provided to SMEs to promote innovation?				
What is the total government budget dedicated to innovation and R&D?				

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